

## Message Text

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ORIGIN EUR-12

INFO OCT-02 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07  
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15  
USIA-06 HA-05 IO-13 NEA-10 AF-10 ACDA-12 EB-08  
COME-00 TRSE-00 AID-05 STR-06 OPIC-03 OES-07 CU-04  
OMB-01 XMB-02 DOE-11 SOE-02 TVA-01 DOTE-00 OPR-02  
A-01 CPR-01 SY-05 VO-05 INSE-00 /173 R

DRAFTED BY EUR/EE:I M SILINS  
APPROVED BY EUR:G S VEST  
EUR/EE:N G ANDREWS  
DESIRED DISTRIBUTION  
"C"

-----128686 250604Z /17  
P 250240Z JAN 78  
FM SECSTATE WASHDC  
TO AMEMBASSY BUCHAREST PRIORITY

C O N F I D E N T I A L STATE 019742

E.O. 11652:GDS

TAGS: PEPR, SHUM, CVIS, ETRD, EFIN, OVIP (CEAUSESCU,

NICOLAE), RO  
SUBJECT: PUNGAN MEETING WITH VEST  
1. SUMMARY. ASSISTANT SECRETARY VEST USED THE OCCASION OF  
PUNGAN'S VISIT TO REVIEW ASPECTS OF OUR BILATERAL RELATIONS  
WITH ROMANIA THAT NEED SOME ATTENTION BEFORE PRESIDENT  
CEAUSESCU'S VISIT TO THE UNITED STATES. VEST EMPHASIZED  
THIS ADMINISTRATION'S STRONG COMMITMENT TO HUMAN RIGHTS AND  
ENCOURAGED A MAXIMUM EFFORT TO EASE PROBLEMS IN THIS AREA  
BEFORE APRIL. VEST STRONGLY URGED THAT THE ROMANIAN  
GOVERNMENT LOOK AGAIN AT ITS POSITION ON THE RAUTA CASE.  
PUNGAN SAID THE APRIL VISIT BY CEAUSESCU SHOULD BE STRUC-  
TURED SO AS TO REFLECT AN EVEN HIGHER STATE OF BILATERAL  
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RELATIONS THAN PREVAILED DURING CEAUSESCU'S VISIT TO THE  
U.S. IN 1973. PUNGAN UNDERLINED ROMANIA'S INTEREST IN  
IMPROVED "FINANCIAL FACILITIES" FOR PURCHASING U.S. GOODS,  
AND MADE A STRONG-IMPLICIT CONNECTION BETWEEN POSITIVE U.S.  
ACTION IN THIS AREA AND THE ROMANIAN RESPONSE TO OUR -  
INTEREST IN HUMAN RIGHTS AND HUMANITARIAN MATTERS. END  
SUMMARY.

2. VEST OPENED BY EXPRESSING A DESIRE TO DISCUSS SOME ASPECTS OF BILATERAL RELATIONS WITH ROMANIA WITH AN EYE TOWARD PRESIDENT CEAUSESCU'S VISIT IN APRIL. HE ASKED IF MADAME CEAUSESCU WOULD ACCOMPANY THE PRESIDENT, AS SHE DID IN 1973. PUNGAN REPLIED THAT MADAME CEAUSESCU PROBABLY WOULD COME ALONG. IN LOOKING FORWARD TO THE VISIT, HE SAID, THE ROMANIAN SIDE FELT THE NEED TO FIND SOMETHING NEW IN THE OFFICIAL PORTION OF THE VISIT THAT WOULD REFLECT THE IMPROVED STATE OF RELATIONS SINCE 1973. PUNGAN INDICATED IT WAS NOT YET CLEAR WHAT THIS WOULD BE. HE SAID HE ASSUMED THE TWO PRESIDENTS WOULD DISCUSS A FULL RANGE OF ISSUES, INCLUDING EUROPE, THE MIDDLE EAST, THE TROUBLED SITUATIONS IN AT LEAST TWO PARTS OF AFRICA, AND "BIG-POWER" RELATIONS IN WHICH ROMANIA HAS A KEEN INTEREST. HE SUGGESTED IT WOULD ALSO BE APPROPRIATE FOR THEM TO DISCUSS THE UPCOMING UN SPECIAL SESSION ON DISARMAMENT, TO FIND WAYS IN WHICH OUR TWO COUNTRIES CAN COOPERATE IN THIS FIELD. AS FOR BILATERAL RELATIONS, PUNGAN SAID THESE ARE GOING WELL, BUT ROMANIA WANTS TO SEE THEM GOING EVEN BETTER. IN THE ECONOMIC FIELD, ROMANIA HAS THREE PRIMARY INTERESTS. THE FIRST IS A DESIRE TO SEE MORE U.S. COMPANIES INVEST IN ROMANIA, ALONG THE LINES OF THE CONTROL DATA CORPORATION JOINT VENTURE. SECOND, ROMANIA WANTS IMPROVED FINANCIAL FACILITIES IN ORDER TO PURCHASE U.S. GOODS, AND PUNGAN SUGGESTED THAT POSSIBILITIES IN THIS

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AREA BE EXPLORED BEFORE THE CEAUSESCU VISIT. THIRD, PUNGAN SUGGESTED THAT WE EXPLORE POSSIBILITIES FOR COOPERATION BETWEEN U.S. COMPANIES AND ROMANIAN ENTERPRISES IN THIRD MARKETS. HE ALSO REFERRED TO THE ROMANIAN DESIRE TO CONTINUE COOPERATION IN THE FIELDS OF SCIENCE AND CULTURE.

3. PUNGAN SAID THE ROMANIAN SIDE WAS CONSIDERING WHAT DOCUMENTS COULD BE SIGNED DURING THE PRESIDENTIAL VISIT. ONE POSSIBILITY, WHICH THE ROMANIAN SIDE THOUGHT WOULD BE DESIRABLE, WOULD BE TO BRING UP TO DATE THE JOINT DECLARATION OF THE PRESIDENTS ISSUED IN 1973. HE SAID ROMANIA HAD RECENTLY TAKEN A SIMILAR STEP DURING CHANCELLOR SCHMIDT'S VISIT TO ROMANIA. PUNGAN THOUGHT A JOINT COMMUNIQUE WOULD ALSO BE DESIRABLE, AND HE MENTIONED THE POSSIBILITY OF YET ADDITIONAL DOCUMENTS BEING SIGNED.

4. PUNGAN SAID THAT THE ROMANIAN SIDE WAS CONSIDERING THE POSSIBILITY OF SENDING AN ADVANCE TEAM TO WASHINGTON ABOUT A WEEK AHEAD OF THE PRESIDENTIAL VISIT, SO THAT ALL DETAILS COULD BE IRONED OUT WELL IN ADVANCE, LEAVING THE PRESIDENTS FREE TO CONCERN THEMSELVES WITH MORE GENERAL

PRINCIPLES AND ISSUES. PUNGAN SAID THE ROMANIANS WANT THIS VISIT TO BE "HIGHER" THAN PREVIOUS ONES, REFLECTING THE STEADY IMPROVEMENT IN BILATERAL RELATIONS AND IN COOPERATION ON THE INTERNATIONAL SCENE. HE SAID HE WAS AWARE THAT THE U.S. SIDE HAD AN INTEREST IN CERTAIN

HUMANITARIAN ISSUES.

5. VEST SAID HE HAD INTENDED TO GO INTO THIS TOPIC AT SOME LENGTH. THE GENERAL PERCEPTION IN THE UNITED STATES, IN THE PRESS AND ELSEWHERE, IS THAT ROMANIA IS NOT AS COOPERATIVE IN THE AREAS OF HUMAN RIGHTS AND HUMANITARIAN CONCERNS AS THE CARTER ADMINISTRATION WOULD ADVOCATE. THIS PERCEPTION OF ROMANIA MIGHT AFFECT THE ATMOSPHERE SURROUND-  
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ING PRESIDENT CEAUSESCU'S VISIT, AND IT ALSO HAS SOME VERY PRACTICAL CONSEQUENCES. FOR EXAMPLE, THE U.S. REPRESENTATIVE IN INTERNATIONAL FINANCIAL INSTITUTIONS SUCH AS THE WORLD BANK IS OBLIGED BY LAW TO TAKE HUMAN RIGHTS CONSIDERATIONS INTO ACCOUNT IN FORMULATING THE U.S. POSITION ON LOAN APPLICATIONS BY OTHER COUNTRIES. VEST SAID IT IS ONLY FAIR TO POINT OUT TO PUNGAN THAT THIS ADMINISTRATION DOES FEEL VERY STRONGLY ABOUT HUMAN RIGHTS, AND THIS WILL AFFECT WHAT ROMANIA WANTS TO OBTAIN FROM US. VEST SUGGESTED THAT PROBLEMS IN THIS AREA BE EASED TO THE MAXIMUM EXTENT POSSIBLE BEFORE APRIL.

6. PUNGAN SAID THAT ROMANIA HAS SOLVED SUCH PROBLEMS IN THE PAST, EVEN BEFORE HAVING GOOD RELATIONS WITH THE UNITED STATES. THE ROMANIAN APPROACH TO ISSUES SUCH AS FAMILY REUNIFICATION IS BASED ON A STEADFAST POLICY. AS FOR OTHER HUMAN RIGHTS ISSUES, A PROPER DEFINITION WAS NEEDED OF WHAT HUMAN RIGHTS CONSIST OF AND THERE MIGHT BE DISAGREEMENT ON THIS SCORE. PUNGAN SAID THAT LAST FEBRUARY HE HAD TOLD PRESIDENT CARTER WHAT ROMANIA IS DOING AND INTENDS TO DO IN THIS FIELD, AND PRESIDENT CARTER HAD APPROVED OF THE ROMANIAN APPROACH. PUNGAN SAID IT IS ALSO IMPORTANT TO LOOK AT ROMANIAN INTERESTS IN THIS CONTEXT, CHIEFLY FINANCIAL ONES. ROMANIA IS A DEVELOPING COUNTRY WHICH WANTS TO BUY MORE FROM THE U.S. THIS INTEREST IN INCREASED TRADE IS ONE ASPECT OF THE ROMANIAN DESIRE TO CONTINUE IMPROVING RELATIONS WITH THE UNITED STATES.

7. VEST REPLIED THAT THE U.S. ALSO WISHES TO IMPROVE RELATIONS WITH ROMANIA, AND PRESIDENT CARTER WOULD NOT HAVE INVITED PRESIDENT CEAUSESCU TO VISIT IF THIS WERE NOT THE CASE. AS A STEP THAT WOULD DEMONSTRATE ROMANIAN SENSITIVITY AND PROVIDE THE RIGHT ATMOSPHERE FOR THE  
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VISIT, VEST SUGGESTED THAT THE ROMANIAN GOVERNMENT LOOK AGAIN AT THE QUESTION OF THE FAMILY OF CONSTANTIN RAUTA. VEST SAID THAT WE ARE NOT COMMENTING ON THE ACTIONS OF MR. RAUTA BUT HAVE A HUMANITARIAN INTEREST IN THE SITUATION OF HIS WIFE AND YOUNG CHILD. PUNGAN INDICATED THAT HE WAS NOT FAMILIAR WITH THE CASE. AT THIS POINT, ROMANIAN EMBASSY COUNSELOR GEORGE IONITA, WHO ACCOMPANIED

PUNGAN, REPEATED THE STANDARD ROMANIAN ARGUMENT THAT THIS CASE WAS NOT A HUMANITARIAN ONE BECAUSE OF THE SPECIAL CIRCUMSTANCES IN WHICH RAUTA HAD ELECTED TO REMAIN IN THE U.S. HE SAID THESE CIRCUMSTANCES PREVENTED THE ROMANIAN AUTHORITIES FROM RESOLVING THIS CASE. VEST EMPHASIZED THAT AS WE PERCEIVE IT, THE SITUATION OF MRS. RAUTA AND HER SON IS RPT IS A HUMANITARIAN PROBLEM. VEST SAID HE COULD THINK OF NO EXAMPLE IN WHICH THE FAMILY OF SOMEONE FROM A WESTERN COUNTRY WHO HAD DECIDED TO TAKE UP RESIDENCE IN AN EASTERN COUNTRY WAS PREVENTED FROM JOINING HIM. IN SOME CASES, ARRANGEMENTS WERE EVEN MADE FOR TEMPORARY VISITS BACK AND FORTH. PUNGAN COMMENTED THAT SOLVING SUCH A CASE CAN SOMETIMES MAKE IT MORE DIFFICULT FOR OTHERS. VEST RESPONDED THAT WHEN A CASE BECOMES AN IRRITANT BETWEEN TWO COUNTRIES, STEPS SHOULD BE TAKEN TO REMOVE IT. PUNGAN SAID THAT THE RAUTA CASE WOULD BE RECONSIDERED AND THAT SPECIAL CIRCUMSTANCES SOMETIMES MAKE POSSIBLE SPECIAL SOLUTIONS.

8. THE CONVERSATION THEN TURNED TO PLACES CEAUSESCU MIGHT VISIT OUTSIDE WASHINGTON. THE POSSIBILITIES DISCUSSED, WITHOUT ANY COMMITMENT BY EITHER SIDE, INCLUDED AN ATOMIC ENERGY POWER STATION, THE TENNESSEE RIVER VALLEY, AND HOUSTON FOR AN EXPOSURE TO OFFSHORE DRILLING (ROMANIAN SUGGESTIONS) AND CATTLE-RAISING OPERATIONS IN THE OMAHA AREA, THE AUTO AND TRUCK CENTER IN DETROIT, AND THE IMMEDIATE SOUTH, FOR EXAMPLE, GEORGIA. PUNGAN SAID HE WOULD LET AMBASSADOR AGGREY HAVE SOME ADDITIONAL IDEAS IN

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BUCHAREST. PUNGAN REITERATED THAT THE ROMANIAN GOAL IS TO ARRANGE A BETTER VISIT FOR PRESIDENT CEAUSESCU THAN PREVIOUS ONES. VANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN RELATIONS, MEETINGS, CHIEF OF STATE VISITS  
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**Copy:** SINGLE  
**Draft Date:** 25 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1978STATE019742  
**Document Source:** CORE  
**Document Unique ID:** 00  
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**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780036-1064  
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**Message ID:** f45509e0-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 26 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3715752  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PUNGAN MEETING WITH VEST  
**TAGS:** PEPR, SHUM, CVIS, ETRD, EFIN, OVIP, (CEAUSESCU, NICOLAE)  
**To:** BUCHAREST  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/f45509e0-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014